

22nd  
Annual Report

ROWAN CONSOLIDATED  
MINES LIMITED

*for the year ended  
August 31, 1968*

# ROWAN CONSOLIDATED MINES LIMITED

## *Directors*

A. W. WHITE	-	-	-	-	-	-	-	-	Toronto
H. R. HEARD	-	-	-	-	-	-	-	-	Toronto
F. A. FELL	-	-	-	-	-	-	-	-	Toronto
K. J. BENNER	-	-	-	-	-	-	-	-	Toronto
J. GEDDES	-	-	-	-	-	-	-	-	Clarkson

## *Officers*

A. W. WHITE	-	-	-	-	-	-	-	-	<i>President</i>
H. R. HEARD	-	-	-	-	-	-	-	-	<i>Vice-President</i>
J. GEDDES	-	-	-	-	-	-	-	-	<i>Secretary-Treasurer</i>

## *Registrar and Transfer Agents*

THE STERLING TRUSTS CORPORATION  
372 BAY STREET, TORONTO, ONTARIO

HEAD OFFICE - - Suite 416, 25 Adelaide St. W., Toronto

# Rowan Consolidated Mines Limited

To the Shareholders,  
Rowan Consolidated Mines Limited.

We present to you the company's Twenty-second Annual Report for the year ended August 31, 1968, containing financial statements as at that date, reported upon by your Auditors, McDonald, Nicholson & Co., Chartered Accountants.

During the year under review, no mining properties which, in the opinion of your management, warranted exploration or development by Rowan, came to our attention, consequently the company was inactive.

As indicated in our last report, Rowan's option to purchase 16 unpatented mining claims in Baldwin Township, Ontario, was allowed to lapse and the claims were returned to the Vendor. Amortization of the amount expended on these claims, \$20,634,000, is reflected in the financial statements forming part of this report.

Since the statement of the company's financial position did not show net liquid assets of \$25,000.00 and the company had not conducted an appreciable program of exploration or development for the preceding year, on July 12, 1968 the Toronto Stock Exchange, in accordance with its policy relating to maintaining a listing of shares on the Exchange, suspended shares of Rowan from trading. If, as and when it appears to be in Rowan's best interests to do so, steps will be taken to have its shares returned to the Toronto Stock Exchange List.

In the meantime the gold mining property in the townships of Ball and Todd, Red Lake Mining Division, Ontario, are being maintained in good standing and the buildings, plant and equipment there are being kept in good condition.

The Annual Meeting of Shareholders of the company will be held in Suite 416, 25 Adelaide Street West, Toronto 1, Ontario, on Friday, the 28th day of February, 1969. Shareholders are invited. If you are unable to attend in person and wish to be represented, you may do so by appointing your proxy. A form for your use in this connection is enclosed.

Respectfully submitted on behalf of the Board,

A. W. WHITE,  
President.

Toronto, Ontario,  
February 8, 1969.



# ROWAN CONSOLIDATED

## Balance Sheet -

(With comparative figures)

### ASSETS

	1968	1967
<b>CURRENT ASSETS</b>		
Cash on hand and in bank .....	\$ 188	\$ 793
Accounts receivable .....	1,560	2,115
Prepaid expenses .....	184	238
Funds available under mortgage agreement (Note) .....	10,500	18,500
	<u>\$ 12,432</u>	<u>\$ 21,646</u>
<b>FIXED ASSETS, at cost (Note)</b>		
Mining claims and properties .....	\$ 120,738	\$ 120,738
Mine Road .....	9,960	9,960
Buildings .....	35,791	35,791
Machinery and equipment .....	80,822	100,602
Pre-incorporation development and administrative costs, less sundry credits .....	284,355	284,355
Preliminary development, administrative costs and other charges, per statement herewith .....	605,722	590,426
	<u>\$1,137,388</u>	<u>\$1,141,872</u>
<b>OTHER ASSETS</b>		
Interest in and expenditure on outside mining properties, per statement herewith .....	\$ 95,519	\$ 115,268
<b>ORGANIZATION EXPENSE</b> .....	\$ 7,126	\$ 7,126
	<u>\$1,252,465</u>	<u>\$1,285,912</u>

The accompanying note forms

AUDITOR

To the Shareholders,  
Rowan Consolidated Mines Limited,  
TORONTO, Ontario.

We have examined the balance sheet of ROWAN CONSOLIDATED MINES LIMITED, development, administrative costs and other charges, exploration expenditure on outside properties. Our examination included a general review of the accounting procedures and such tests of details as we considered appropriate in the circumstances.

In our opinion these financial statements present fairly the financial position of the company and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles.

TORONTO, November 19, 1968.

# IED MINES LIMITED

August 31, 1968

as at August 31, 1967)

## LIABILITIES

	1968	1967
CURRENT LIABILITIES		
Accounts payable and accrued charges .....	\$ 5,188	\$ 7,521
MORTGAGE PAYABLE, 6% due April 15, 1971 (Note) .....	\$ 100,000	\$ 100,000
SHAREHOLDERS' EQUITY		
Capital stock		
Authorized 6,000,000 shares of par value \$1.00 each .....	\$6,000,000	
Issued and fully paid 4,496,427 shares .....	\$4,496,427	\$4,496,427
Less: Discount on shares issued .....	3,144,606	3,144,606
	\$1,351,821	\$1,351,821
Deficit, per statement herewith .....	204,544	173,430
	\$1,147,277	\$1,178,391
Approved on behalf of the Board,		
A. W. WHITE, Director.		
H. R. HEARD, Director.		
	\$1,252,465	\$1,285,912

integral part of this statement.

## REPORT

ITED as at August 31, 1968, together with the statements of deficit, preliminary properties and source and application of funds for the year ended on that date. Our counting records and other supporting evidence as we considered necessary in the

e company at August 31, 1968, and the results of its operations and the source and accepted accounting principles applied on a basis consistent with that of the preceding

McDONALD, NICHOLSON & CO.,  
Chartered Accountants.



# Rowan Consolidated Mines Limited

## STATEMENT OF DEFICIT For the year ended August 31, 1968

(With comparative figures for the year ended August 31, 1967)

	1968	1967
BALANCE, September 1 .....	\$ 173,430	\$ 173,505
Add: Mining properties abandoned		
Cost of claims .....	2,000	—
Exploration expenditures thereon .....	18,634	—
Loss on sale of fixed asset .....	10,480	—
	<u>\$ 204,544</u>	<u>\$ 173,505</u>
Less: Amount recovered from investment written off .....	—	75
BALANCE, August 31, transferred to balance sheet .....	<u>\$ 204,544</u>	<u>\$ 173,430</u>

The accompanying note forms an integral part of this statement.

## STATEMENT OF PRELIMINARY DEVELOPMENT, ADMINISTRATIVE COSTS AND OTHER CHARGES For the year ended August 31, 1968

(With comparative figures for the year ended August 31, 1967)

DEVELOPMENT	1968	1967
Maintenance and operation of camp .....	\$ 1,405	\$ 1,553
Supervision of surface operations .....	2,126	1,869
Surface operations, general .....	336	398
Transportation .....	590	565
	<u>\$ 4,457</u>	<u>\$ 4,385</u>
ADMINISTRATIVE		
Annual meeting expense .....	\$ 1,552	\$ 802
Fees, legal and other .....	475	600
Administrative services .....	1,800	1,800
Interest .....	5,178	3,383
Miscellaneous expense .....	41	98
Transfer agent's fees and expenses .....	1,793	1,547
	<u>\$ 10,839</u>	<u>\$ 8,230</u>
	<u>\$ 15,296</u>	<u>\$ 12,615</u>
Balance, beginning of year .....	590,426	577,811
BALANCE, end of year, transferred to balance sheet .....	<u>\$ 605,722</u>	<u>\$ 590,426</u>

The accompanying note forms an integral part of this statement.

# Rowan Consolidated Mines Limited

## STATEMENT OF EXPLORATION EXPENDITURE ON OUTSIDE PROPERTIES

For the year ended August 31, 1968

(With comparative figures for the year ended August 31, 1967)

EXPLORATION EXPENDITURES DURING YEAR	1968	1967
Camp maintenance .....	\$ —	\$ 811
Cost of claims .....	—	2,000
Diamond drilling .....	—	20,173
Engineering and technical supervision .....	750	2,550
Geophysical and other surveys .....	—	480
Miscellaneous expense .....	49	432
Transfers, abstracts and assays .....	86	134
Travelling .....	—	1,148
	<u>\$ 885</u>	<u>\$ 27,728</u>
Balance, September 1 .....	115,268	87,540
	<u>\$ 116,153</u>	<u>\$ 115,268</u>
<i>Deduct:</i> Amount expended on property abandoned, transferred to deficit		
Baldwin Township, Sudbury Mining Division, Ontario	\$ 20,634	\$ —
BALANCE, August 31, transferred to balance sheet, representing expenditures on the following properties .....	<u>\$ 95,519</u>	<u>\$ 115,268</u>
Baldwin Township, Sudbury Mining Division, Ont. ....	\$ —	\$ 19,751
Douglas Township, Porcupine Mining Division, Ont. ....	12,428	12,426
Whiteside Township, Porcupine Mining Division, Ont. ....	83,091	83,091
	<u>\$ 95,519</u>	<u>\$ 115,268</u>

The accompanying note forms an integral part of this statement.

## STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the year ended August 31, 1968

(With comparative figures for the year ended August 31, 1967)

SOURCE OF FUNDS	1968	1967
Proceeds on sale of fixed asset .....	\$ 9,300	\$ —
Amount recovered from investment written off .....	—	75
	<u>\$ 9,300</u>	<u>\$ 75</u>
APPLICATION OF FUNDS		
Development and administrative expenditures .....	\$ 15,296	\$ 12,615
Exploration expenditures .....	885	27,728
	<u>\$ 16,181</u>	<u>\$ 40,343</u>
DECREASE IN WORKING CAPITAL .....	\$ 6,881	\$ 40,268
Working capital, September 1 .....	14,125	54,393
WORKING CAPITAL, August 31 .....	<u>\$ 7,244</u>	<u>\$ 14,125</u>
Current assets .....	\$ 12,432	\$ 21,646
Current liabilities .....	5,188	7,521
WORKING CAPITAL .....	<u>\$ 7,244</u>	<u>\$ 14,125</u>

The accompanying note forms an integral part of this statement.



# Rowan Consolidated Mines Limited

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## NOTE TO FINANCIAL STATEMENTS

August 31, 1968

By agreement dated April 11, 1966, Dickenson Mines Limited has undertaken to advance to the Company up to an amount of \$100,000.00 on the security of a first mortgage, bearing interest at 6% per annum, on all of its patented mining claims and buildings, machinery and equipment situate thereon, in the Townships of Ball and Todd in the Red Lake Mining Division. As at balance sheet date Dickenson Mines Limited had advanced \$89,500.00 under the said agreement. The Company may acquire additional funds from time to time by advising Dickenson Mines Limited in writing, of its requirements. Provided the Company justifies the said requirements for the carrying out of its corporate affairs, Dickenson Mines Limited agrees to advance such additional funds.

The Company has covenanted under the agreement that, without the prior written consent of Dickenson Mines Limited, it shall not:

- (a) alter its capital structure or issue or option any additional treasury shares.
- (b) create or issue debt securities.
- (c) vary the number of its directors.
- (d) dispose of all or any part of its assets.
- (e) mortgage, hypothecate, pledge or permit any charge on its assets.
- (f) borrow money except in the ordinary course of business.
- (g) make any distribution to its shareholders by way of dividend or otherwise.